

Thomas M. Kennedy (TK-0993)
Susan Jennik (SJ-4607)
Larry Magarik (LM-3748)
KENNEDY, JENNIK & MURRAY, P.C.
113 University Place
New York, NY 10003
(212) 358-1500

Return Date:
January 5, 2006
10:00 a.m.

**Attorneys for International Union of Electronic,
Electrical, Salaried, Machine and Furniture Workers,
Communications Workers of America (IUE-CWA)**

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	
)	Chapter 11
In re DELPHI CORPORATION, et al.,)	
)	05-44481 (RDD)
Debtors.)	(Jointly Administered)

**PRELIMINARY OBJECTION OF IUE-CWA TO MOTION FOR ORDER
AUTHORIZING AND APPROVING THE EQUITY PURCHASE AND COMMITMENT
AGREEMENT PURSUANT TO SECTIONS 105(a), 363(b), 503(b) AND 507(a) OF THE
BANKRUPTCY CODE AND THE PLAN FRAMEWORK SUPPORT AGREEMENT
PURSUANT TO SECTIONS 105(a), 363(b) AND 1125(e) OF THE BANKRUPTCY CODE**

The IUE-CWA by and through its counsel, hereby files this preliminary objection (the "Preliminary Objection") to the Expedited Motion for Order Authorizing and Approving the Equity Purchase and Commitment Agreement pursuant to sections 105(a), 363(b), 503(b) and 507(a) of the Bankruptcy Code and the Plan Framework Support Agreement pursuant to sections 105(a), 363(b) and 1125(e) of the Bankruptcy Code (the "Motion"). In support of this Preliminary Objection, the IUE-CWA respectfully states as follows:

BACKGROUND

1. On October 8, 2005 (the “Petition Date”), thirty-nine of the Debtors filed with this Court voluntary petitions for relief under chapter 11 of the Bankruptcy Code. On October 14, 2005, the three remaining Debtors also filed voluntary petitions.

2. On December 18, 2006, the Debtors filed the Motion, seeking an order (a) approving and authorizing them to enter into that certain Equity Purchase and Commitment Agreement (the “Investment Agreement”) dated December 18, 2006, among Delphi Corporation, A-D Acquisition Holdings, LLC, Harbinger Del-Auto Investment Company, Ltd., Dolce Investments LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and UBS Securities LLC, (“ the Proposed Investors”); (b) authorizing them to pay certain fees to the Proposed Investors; and (c) approving and authorizing them to enter into that certain Plan Framework Support Agreement (the “PSA”) dated December 18, 2006 among Delphi Corporation, GM and the Proposed Investors.

PRELIMINARY OBJECTION

3. Despite repeated invitations to do so, the Proposed Investors have not met with representatives of the leadership of the IUE-CWA to discuss their plans and intentions regarding the operations of Delphi. As a result, the IUE-CWA is filing this preliminary objection in order to protect its membership and their claims in this proceeding as well as to ensure that a post-bankruptcy Delphi is adequately capitalized and fairly structured. These objections include: (a) the payment of commitment fees in excess of one hundred million (\$100,000,000.00) dollars to the Proposed Investors when they have nothing at risk, (b) the payment of thirteen million (\$13,000,000.00) dollars of expenses by the Proposed Investors before they have committed to full participation in this potential transaction, (c) the payment of an alternate transaction fee to the Proposed Investors in certain circumstances, (d) certain unacceptable terms of the proposed transaction, including the

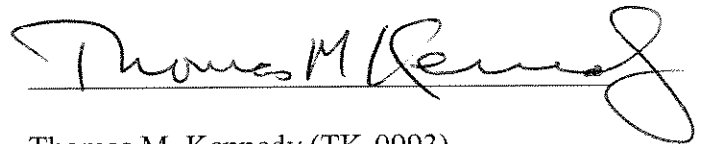
extraordinarily broad corporate governance powers to be granted to the Proposed Investors, in their capacity as holders of a series of convertible preferred stock to be issued by reorganized Delphi, and (e) the Debtors' indemnification obligations to the Proposed Investors.

4. The IUE-CWA anticipates that the Debtors will take the position, as they have previously, that a party may not conduct discovery with respect to the Motion until a contested matter exists. The IUE-CWA therefore files this Preliminary Objection to create a contested matter and intends to conduct discovery of the Debtors and other parties. The IUE-CWA reserves its right to supplement this Preliminary Objection.

WHEREFORE, the IUE-CWA respectfully requests that this Court deny the proposed motion as it is presently stated and grant the IUE-CWA such other relief as is just and proper.

Dated: New York, New York
December 20, 2006

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Thomas M. Kennedy", with a stylized flourish at the end.

Thomas M. Kennedy (TK-0993)
KENNEDY, JENNIK & MURRAY, P.C.
113 University Place
New York, NY 10003
(212) 358-1500

AFFIDAVIT OF SERVICE

State of New York)
) ss.:
County of New York)

Joan Esposito, being duly sworn, deposes and says that: I am not a party to the action, am over 18 years of age, and reside in Kings County, New York. On December 20, 2006, I served the within Preliminary Objection of IUE-CWA to Motion for Order Authorizing and Approving the Equity Purchase and Commitment Agreement Pursuant to Sections 105(a), 363(b), 503(b) and 507(a) of the Bankruptcy Code and the Plan Framework Support Agreement Pursuant to Sections 105(a), 363(b) and 1125(e) of the Bankruptcy Code by mailing a copy via overnight mail to the following:

Robert J. Rosenberg, Esq.
Latham & Watkins LLP
885 Third Avenue, Suite 1000
New York, New York 10022-4834

Alicia Leonhard, Esq.
U.S. Department of Justice
Office of the United States Trustee
33 Whitehall Street, 21st Floor
New York, New York 10004-2111

Kayalan A. Marafioti, Esq.
Thomas J. Matz, Esq.
Skadden, Arps, Slate, Meagher & Flom, LLP
4 Times Square
New York, New York 10036

Delphi Corporation
c/o Sean Corcoran and Karen Craft
5725 Delphi Drive
Troy, MI 48098-2815

John W. Butler, Jr.
John K. Lyons
Ron E. Meisler
Nick D. Campanario
Skadden, Arps, Slate, Meagher & Flom, LLP
333 West Wacker Drive, Suite 2100
Chicago, Illinois 60606

Bruce H. Simon, Esq.
Cohen, Weiss & Simon
330 West 42nd Street
New York, NY 10036

Jeffrey L. Tanenbaum
Weil, Gotshal & Manges, LLP
767 Fifth Avenue
New York, NY 10153

Lowell Peterson, Esq.
Meyer, Suozzi, English & Klein, PC
1350 Broadway, Suite 501
New York, NY 10018

Barbara Mehlsack
Gorlick, Kravitz & Listhaus, P.C.
17 State Street, 4th Floor
New York, NY 10004-1501

Marianne Robbins, Esq.
Previant, Goldberg, Uelmen, Gratz, Miller & Brueggeman, P.C.
1555 North River Center Drive, Suite 202
Milwaukee, WI 53212

Brad Eric Sheler
Bonnie Steingart
Vivek Melwani
Jennifer L. Rodburg
Richard J. Silvinski
Fried, Frank, Harris, Shriver & Jacobson
One New York Plaza
New York, NY 10004

Thomas Lauria
White & Case
1155 Avenue of the Americas
New York, NY 10036

Gregory A. Bray
Thomas R. Kreller
James E. Till
Milbank Tweed Hadley & McCloy LLP
601 South Figueroa Street
30th Floor
Los Angeles, CA 90017


JOAN ESPOSITO

Sworn to before me this
20th day of December, 2006.


Notary Public

LARRY MAGARIK
NOTARY PUBLIC, State of New York
No. 02MA5082506
Qualified in Kings County
Certificate Filed in Kings County
Commission Expires July 28, 2011